



**LIBERTY**

*In it with you*



# **Liberty Gap Cover**

Underwritten by Guardrisk Insurance Company Limited

## **Liberty Medical Premium Waiver 2021**

# Liberty Gap Cover

Underwritten by Guardrisk Insurance Company Limited

For all medical scheme members that face the problem of increasing self-payment gaps, we have the solution.

## The Problem

All medical scheme members face the problem that surgeons, anaesthetists and other specialists frequently charge more than the amount covered by their medical scheme. When this occurs, the medical scheme member becomes liable to pay the medical expense shortfall (self-payment gap).

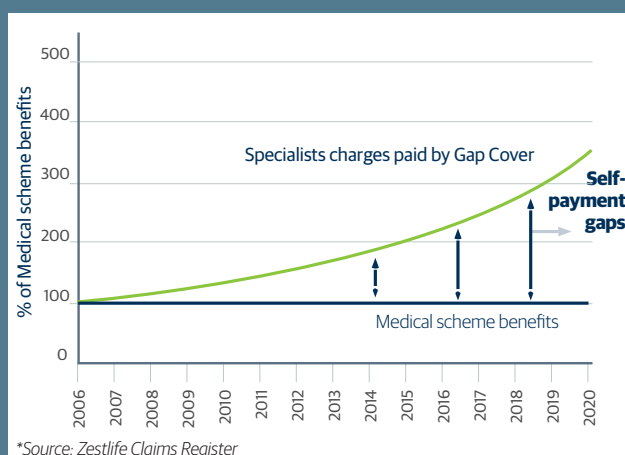
The table below shows some common medical procedures that lead to medical expense shortfalls. The Rand amounts are the portion of the costs that are not covered by the

Examples of Medical Procedures	Medical Expense Shortfall Amount
Natural Childbirth	R22 910
C-Section Childbirth	R26 379
Hernia Repair	R42 803
Breast Cancer Surgery	R87 221
Hip Replacement Surgery	R77 316
Spinal Surgery	R126 327
Cancer Treatment	R115 210
Heart Surgery	R149 997

medical scheme and usually require payment by the member. These amounts are based on actual Gap Cover claims paid in 2019/2020.

The continued growth in the self-payment gap means that medical schemes now pay less than half of the average total specialist fees, leaving members to pay the shortfall amount.

The graph below shows how the self-payment gap has grown since 2006 and how this trend is expected to grow into the future.



## The Solution

Medical scheme members can insure themselves against medical expense shortfalls with Liberty's comprehensive Gap Cover options.

**Liberty Universal Gap Cover** offers the most *comprehensive medical expense shortfall cover* with additional financial protection for a wide range of health risks.

**Liberty Essential Gap Cover** offers affordable medical expense shortfall cover for the *most frequent shortfalls*, and additional financial protection for selected health risks.

Both of these options cover main members and dependants of all South African registered medical schemes.

**Extended Cancer Cover** and **Medical Scheme Premium Waiver Cover** can be added to enhance both policy options.

**Please note:** Gap Cover is not a medical scheme or a substitute for medical scheme cover. It's a health insurance policy that covers medical expense shortfalls that arise when your medical scheme only covers part of your medical treatment costs.

To qualify for this cover, the medical scheme's part payment must be paid from the medical scheme's hospital benefit or major medical benefit.

To assist in choosing the Liberty Gap Cover option that best suits your needs, please study the summary of benefits to follow. If you require further assistance and advice, please contact your Liberty Financial Adviser.

## Liberty Universal Gap Cover

"High levels of cover for treatment cost shortfalls."

### Who's Covered

Cover is available to individuals and families on all South African medical schemes and is not subject to maximum entry age restrictions.

**Individual Cover** is for those who don't have any medical scheme dependants.

**Family Cover** is for main members and their family dependants as recorded by their medical scheme. Cover will also extend to spouses that have their own separate medical scheme membership.

## Liberty Essential Gap Cover

"Affordable cover for the most frequent treatment cost shortfalls."

### Who's Covered

Cover is available to individuals and families on all South African medical schemes and is not subject to maximum entry age restrictions.

**Individual Cover** is for those who don't have any medical scheme dependants.

**Family Cover** is for main members and their family dependants as recorded by their medical scheme. Cover will also extend to spouses that have their own separate medical scheme membership.

## SECTION A - MEDICAL EXPENSE SHORTFALL COVER

All individuals and family members are covered up to a medical expense shortfall limit of R173 000 per calendar year.

### In-hospital Cover

Shortfalls are covered on doctors' and specialists' charges of up to 500% of the Medical Scheme Tariff (MST). The shortfall cover amount provided is calculated as: doctors' and specialists' charges (limited to 5 times MST) less the greater of either the medical scheme's contribution to these costs or the MST.

### Out-of-hospital Cover

Cover is provided for  $\pm$ 50 out-patient procedures including CT, PET and MRI scans. The shortfall cover amount provided is calculated as: doctors' and specialists' charges (limited to 5 times MST) less the greater of either the medical scheme's contribution to these costs or the MST.

### Medical Scheme Co-payment Cover

Co-payments charged by medical schemes for hospital admissions, scans and medical procedures are covered. Penalty co-payments charged by medical schemes are not covered e.g. no cover is provided for the penalties charged by medical schemes for not obtaining: a general practitioner referral prior to consulting with a specialist; a pre-authorisation from the medical scheme prior to a procedure; not following assessment criteria by the medical scheme's back and neck program prior to undergoing spinal surgery.

### Non-network Co-payment Cover

Full cover for co-payments charged by medical schemes for using a non-DSP (Designated Service Provider) hospital or provider. This cover is subject to a maximum of R10 500, limited to one claim per policy each year.

### Emergency Room/Casualty Ward Cover

Cover for R21 000 per calendar year for treatment in a hospital's casualty ward within 48 hours following accidental injury. Fees charged by prosthetists, orthotists, and for items such as crutches, neck braces, knee and ankle guards, post treatment and recuperative devices are not covered by this benefit.

### Enhanced Cancer Cover: Co-payment

Co-payments levied by medical schemes when the annual cancer treatment limit is exceeded will be covered. This cover can be used for general and specialised treatment and biological drugs, and is subject to a maximum co-payment of 25% of the costs of treatment.

### Medical Scheme Cancer Cover Limit Extender

When a medical scheme imposes a cancer treatment cost limit, cover is provided for 20% of the continued treatment costs. This cover can be used for general and specialised treatment and biological drugs.

### Enhanced Cancer Cover: Cosmetic Breast Reconstruction

Cosmetic breast reconstruction cover of up to R20 000. This cover is to be paid towards the costs of surgical breast reconstruction of the non-affected breast, in the event of a single mastectomy resulting from breast cancer.

### In-hospital Cover

Shortfalls are covered on doctors' and specialists' charges of up to 300% of the Medical Scheme Tariff (MST). The shortfall cover amount provided is calculated as: doctors' and specialists' charges (limited to 3 times MST) less the greater of either the medical scheme's contribution to these costs or the MST.

### Out-of-hospital Cover

Cover is provided for  $\pm$ 50 out-patient procedures including CT, PET and MRI scans. The shortfall cover amount provided is calculated as: doctors' and specialists' charges (limited to 3 times MST) less the greater of either the medical scheme's contribution to these costs or the MST.

### Medical Scheme Co-payment Cover

Co-payments charged by medical schemes for hospital admissions, scans and medical procedures are covered. Penalty co-payments charged by medical schemes are not covered e.g. no cover is provided for the penalties charged by medical schemes for not obtaining: a general practitioner referral prior to consulting with a specialist; a pre-authorisation from the medical scheme prior to a procedure; not following assessment criteria by the medical scheme's back and neck program prior to undergoing spinal surgery.

### Non-network Co-payment Cover

Not applicable.

### Emergency Room/Casualty Ward Cover

Cover for R21 000 per calendar year for treatment in a hospital's casualty ward within 48 hours following accidental injury. Fees charged by prosthetists, orthotists, and for items such as crutches, neck braces, knee and ankle guards, post treatment and recuperative devices are not covered by this benefit.

### Enhanced Cancer Cover: Co-payment

Not applicable.

### Medical Scheme Cancer Cover Limit Extender

Not applicable.

### Enhanced Cancer Cover: Cosmetic Breast Reconstruction

Not applicable.

## Liberty Universal Gap Cover

(continued)

### Internal Prosthesis and Artificial Joint Cover

Cover for up to R37 000 per policy per calendar year is provided for medical expense shortfalls and co-payments on the cost of internal prosthesis. This cover is provided after the exhaustion of the medical scheme annual threshold if the limit has been exceeded. No cover is provided under this benefit for intraocular lenses, breast implants or prosthesis that are not permanently replacing a body part such as cardiac stents and orthopaedic rivets, anchors and screws.

### In-hospital Dentistry Expense Shortfall Cover

Dentistry shortfalls are covered on doctor, dentist and specialist charges of up to 500% of the Medical Scheme Tariff (MST). The shortfall cover amount provided is calculated as: doctors and specialists' charges (limited to 5 times MST) less the greater of either the medical scheme's contribution to these costs or the MST.

### Robotic Medical Procedure Cover

Cover of up to R31 500 per policy, per calendar year for medical expense shortfalls that arise directly from the use of robotic machinery in the course of in-hospital operative treatment.

## Liberty Essential Gap Cover

(continued)

### Internal Prosthesis and Artificial Joint Cover

Not applicable.

### In-hospital Dentistry Expense Shortfall Cover

Not applicable.

### Robotic Medical Procedure Cover

Cover of up to R31 500 per policy, per calendar year for medical expense shortfalls that arise directly from the use of robotic machinery in the course of in-hospital operative treatment.

## SECTION B - HEALTH INSURANCE BENEFITS

### Enhanced Cancer Cover: Lump Sum Pay-out

Lump sum cover of R30 000 in the event of first time diagnosis with cancer, stage 2 and above. This benefit also applies to stage 1 prostate cancer where the Gleason score is 8 or higher. Payment of this benefit is subject to registration on the medical scheme's oncology treatment program. This is a fixed benefit payment that is not reliant on verification of actual treatment costs. This cover excludes skin cancer and only applies to the first time diagnosis of cancer after the commencement of cover and after completion of the 12-month waiting period.

### Accidental Dentistry Cover

R20 200 accidental tooth fracture cover due to an external blow to the mouth is provided per individual per year. This cover is payable at a rate of R2 900 for each tooth, irrespective of cover provided by the medical scheme.

### Accidental Death and Permanent Disability Cover

A R50 000 lump sum benefit is paid in the event of accidental death or accidental permanent disability. The accidental permanent disability cover ceases at age 65.

### Trauma Counselling Cover

Cover of R750 per session for counselling is provided following any individual insured under the policy being subject or witness to an act of violence or traumatic accident. Counselling must commence within 6 months of the traumatic event and will be covered to a maximum of R25 000 over a single 6 month period.

### Medical Scheme and Gap Policy - Premium Waiver Cover

A lump sum benefit is payable equal to 12 times the policyholder's combined Gap cover and medical scheme premiums at the time of the claim. This benefit is subject to a policy limit of R105 000 and is payable following the accidental death or accidental permanent disability of the policyholder. Cover for this benefit ceases at age 65.

### Enhanced Cancer Cover: Lump Sum Pay-out

Not applicable.

### Accidental Dentistry Cover

R20 200 accidental tooth fracture cover due to an external blow to the mouth is provided per individual per year. This cover is payable at a rate of R2 900 for each tooth, irrespective of cover provided by the medical scheme.

### Accidental Death and Permanent Disability Cover

A R50 000 lump sum benefit is paid in the event of accidental death or accidental permanent disability. The accidental permanent disability cover ceases at age 65.

### Trauma Counselling Cover

Cover of R750 per session for counselling is provided following any individual insured under the policy being subject or witness to an act of violence or traumatic accident. Counselling must commence within 6 months of the traumatic event and will be covered to a maximum of R25 000 over a single 6 month period.

### Medical Scheme and Gap Policy - Premium Waiver Cover

Not applicable.

# Monthly Premiums

*Liberty Universal Gap Cover		*Liberty Essential Gap Cover	
<b>Cover for Individuals</b>		<b>Cover for Individuals</b>	
Younger than 55 years old	<b>R426 per month</b>	Younger than 55 years old	<b>R317 per month</b>
55-64 years old	<b>R539 per month</b>	55-64 years old	<b>R398 per month</b>
65 years and older	<b>R619 per month</b>	65 years and older	<b>R454 per month</b>
<b>Cover for Families</b>		<b>Cover for Families</b>	
Where all lives insured are younger than 65	<b>R539 per month</b>	Where all lives insured are younger than 65	<b>R398 per month</b>
Where one or more lives insured are older than 65	<b>R619 per month</b>	Where one or more lives insured are older than 65	<b>R454 per month</b>

*\*An over-65 premium applies if the main medical scheme member or any of their dependants are 65 years or older at commencement of their cover. Premiums are valid for 2021 and are subject to change from 1 January 2022.*

*Please note: Gap Cover policy premiums are not tax deductible in the same way that your medical scheme contributions are. No IT3 tax certificates can therefore be issued for this purpose.*

## Summary of policy terms and conditions

The policy terms and conditions of the Universal and Essential Gap Cover options are contained in the summary below. For the full terms and conditions please refer to the policy document.

### Pre-existing condition exclusion

**Unique Policy Benefit:** There are no general waiting periods or condition-specific waiting periods that withhold cover after the commencement date of the policy. However, no benefits can be claimed for a period of 12 months from the start date of cover in respect of medical conditions, for which in the 12 months before the start date of the cover, medical advice, diagnosis, care or treatment was received or would reasonably have been recommended.

Pregnancy before the start date of cover will be regarded as a pre-existing condition and any pregnancy and birth-related claims will be excluded for 12 months from the start date of the cover.

If prior to the start date of Liberty Gap Cover, a policyholder had cover under another Medical Expense Shortfall Policy with similar benefits, then the pre-existing condition waiting period will only be applied to the unexpired part of the pre-existing condition period from the previous policy. The pre-existing condition exclusion will, however, apply for the full period of 12 months for any benefit not provided under the previous Medical Expense Shortfall Policy.

### General exclusions

No benefits will be paid for claims arising from:

- Nuclear weapons or nuclear or ionizing radiation.
- Suicide, attempted suicide or intentional self-injury.
- The taking of any drug or narcotic unless prescribed by and taken in accordance with the instructions of a registered medical practitioner (other than the insured person).
- Any illness or injury caused by the use of alcohol.
- Illegal behaviour, or as a result of breaking the law of the Republic of South Africa.
- Participation in war, terrorist activity, invasion, rebellion, active military duty, police duty, police reservist duty, civil commotion, labour disturbances, riot, strike or the activities of locked out workers.
- Aviation accident, except on a commercial flight as a fare-paying passenger.
- Participation in any form of race or speed test involving any mechanically propelled vehicle, vessel, craft or aircraft.

## Specific exclusions

No benefits are payable for:

- Cosmetic surgery unless required due to illness or injury.
- Penalty co-payments imposed by medical schemes for not following the rules of the scheme. Examples of these penalties are amounts due as a result of not obtaining pre-authorization from the medical scheme for a procedure, or as a result of consulting a specialist without first obtaining a referral from a General Practitioner (GP), or not going for an assessment through your medical scheme's programme as required (prior to undergoing surgery) such as your scheme's back and neck programme before having spinal surgery.
- Pre- and post-hospitalisation doctor and specialist charges.
- Treatment for obesity or treatment that is required as a result of obesity.
- Elective or routine procedures and physical examinations including tests, annual check-ups, ECGs and contraception-related treatments.
- Treatment for depression, mental or stress-related conditions.
- Claims not covered by the medical scheme.
- Private and home nursing.
- Hospital charges.
- Medication and other materials.
- External prosthesis.
- Cancer treatment or planned procedures received outside the Republic of South Africa.
- When travelling abroad, treatment for accident and illness is not covered after 60 consecutive days outside the Republic of South Africa.
- Day-to-day medical practitioner costs.
- Breast and dental implants.
- Emergency medical transportation.
- Out-of-hospital dental procedures.
- Exploratory procedures or procedures that are paid for by your medical scheme on exception or ex-gratia basis.
- Diagnosis and/or treatment for sleeping disorders.
- Treatment costs for services rendered by allied health care professionals, such as but not limited to dieticians, podiatrists, audiologists, chiropractors, acupuncturists, speech therapists, biokineticists, occupational therapists, physiotherapists, scientists and technologists.

## Claims

All claims must be lodged within 180 days of the medical treatment giving rise to the claim. The claim form can be found on [www.zestlife.co.za](http://www.zestlife.co.za). Payment of claims are made to either the policyholder or directly to the treating doctors, specialists or medical service providers, at the insurer's discretion.

## Extended Cover Options

### Extended Cancer Cover

This is an optional policy benefit that will pay out either R100 000 or R200 000 in the event of the first-time diagnosis of cancer. This covers the policyholder and medical scheme dependants insured under the policy. This cover can be taken out with either Liberty Gap Cover options. When applying for this cover, policyholders will be required to answer an underwriting question that relates to previous diagnosis or treatment of cancer. This cover excludes skin cancer and has a 12-month pre-existing condition exclusion and a six-month upfront waiting period from the date of commencement of cover. Cover continues until the insured's 65th birthday.

*Extended Cancer Cover Amount	*Monthly Premium
R100 000	R92.00
R200 000	R150.00

*\*Premiums are valid for 2021 and may increase from 1 January 2022.*

## Medical Premium Waiver Cover

The Liberty Medical Premium Waiver policy provides cover that will continue to pay your medical scheme and Liberty Gap Cover premiums in the event of your death or permanent disability. This cover is an additional **stand-alone policy** that **enhances** and extends the **Medical Scheme and Gap Policy – Premium Waiver Cover** that is embedded in the Liberty Universal Gap Cover policy.

The Medical Scheme and Gap Policy – Premium Waiver Cover only applies and is embedded in the Universal Gap Cover option and will only pay out in the event of accidental death or accidental permanent disability. This embedded cover will only cover your ongoing medical scheme and Liberty Gap Cover premiums for a period of 12 months. The Liberty Medical Premium Waiver stand alone policy, however, pays out on death and permanent disability, whether caused by accident or natural causes and will pay your actual medical scheme and Liberty Gap Cover premiums up to a maximum amount of R9 400 per month, for a period of either 24 or 60 months. If you are on the Liberty Universal Gap Cover option, the Liberty Medical Premium Waiver policy benefit will continue for 24 or 60 months after the initial 12-month benefit embedded in the Universal Gap Cover option. This stand alone Liberty Medical Premium Waiver cover can be taken out as extended cover for both the Liberty Universal and Liberty Essential Gap Cover options.

In the first 12 months, no cover will be provided should a claim arise from a medical condition that existed in the 12 months prior to the policy commencement date. The policy also applies general exclusions, e.g., claims resulting from suicide, intentional self-inflicted injury or participation in acts of war or crime. In the case of a permanent disability claim, the benefit will be paid after a 30-day assessment period and will be paid for the insured period or until the policyholder's recovery, whichever occurs first. Cover is available up to age 60 for new policyholders and ceases for existing policyholders at age 70.

*Medical Premium Waiver Cover Period	*Monthly Premium
24 months	R203
60 months	R357

*\*Premiums are valid for 2021 and are subject to change from 1 February 2022.*

## CONTACT US

**For more details about benefits, definitions, guarantees, fees, tax, limitations, charges, premiums/contributions or other conditions and associated risks, please contact your Liberty Adviser, or call us on (021) 180 4220 / 0860 009 378, or e-mail [info@zestlife.co.za](mailto:info@zestlife.co.za)**

**To apply for cover online, please visit: <http://tinyurl.com/LibertyGap>**

## LEGAL INFORMATION AND DISCLAIMER

Liberty Gap Cover is underwritten by Guardrisk Insurance Company Limited (FSP number 75). Liberty Medical Premium Waiver is underwritten by Guardrisk Life Limited (FSP number 76) (collectively referred to as "Guardrisk"). Guardrisk is an Authorised Financial Services Provider. Both products are administered by Zest Life Investments (Pty) Ltd, an Authorised Financial Services Provider (FSP number 37485).

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